

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

Re: ECF No. 23548

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO SALES TAX FINANCING
CORPORATION,

Debtors.

PROMESA
Title III

No. 17 BK 3284-LTS

BONISTAS DEL PATIO, INC.,

Movants,

-against-

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Building Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Respondent.

**STATEMENT OF THE FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO
RICO IN SUPPORT OF THE STATEMENT AND AMENDMENT TO
MOTION OF BONISTAS DEL PATIO FOR PAYMENT OF CERTAIN
PROFESSIONAL FEES AND EXPENSES BY THE COMMONWEALTH**

To the Honorable United States District Court Judge Laura Taylor Swain:

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as sole Title III representative of the Commonwealth of Puerto Rico (the “Commonwealth”) and the Puerto Rico Sales Tax Financing Corporation (“COFINA”), pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² respectfully submits this statement in support of the *Statement Regarding and Amendment to Motion of Bonistas del Patio for Payment of Certain Professional Fees and Expenses by the Commonwealth* [Case No. 17-3283, ECF No. 23548]³ (the “Bonistas Statement”). The Oversight Board states as follows:

Statement

1. On October 11, 2022, Bonistas del Patio, Inc. (the “Bonistas”) filed the *Motion of Bonistas del Patio for Payment of Certain Professional Fees and Expenses by the Commonwealth* [ECF No. 22578] (the “Motion”) requesting payment of fees and expenses (collectively, the

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

³ Unless otherwise stated, all ECF Nos. shall refer to the docket in Case No. 17-3283.

“Expenses”) by the Commonwealth (i) pursuant to Section 15.2 of the *Third Amended Title III Plan of Adjustment of Puerto Rico Sales Tax Financing Corporation* [Case No. 17-3284, ECF No. 436], confirmed on February 4, 2019 [Case No. 17-3284, ECF No. 559], and (ii) as administrative expenses allowable in the Title III case of the Commonwealth pursuant to 11 U.S.C. § 503(b)(4), made applicable to these Title III cases by Section 301 of PROMESA.

2. On December 14, 2022, the Court held a hearing (the “Omnibus Hearing”) to consider the Motion. Thereafter, the Court entered the *Order Concerning Supplementation of Motion of Bonistas del Patio for Payment of Certain Professional Fees and Expenses by the Commonwealth* [ECF No. 23070], directing the Oversight Board, as the sole representative of COFINA and the Commonwealth in their respective Title III cases in accordance with Section 315(b) of PROMESA, to provide its perspective on the Motion and the relief being requested.

3. On December 28, 2022, the Oversight Board filed the *Statement of the Financial Oversight and Management Board for Puerto Rico Regarding the Motion of Bonistas del Patio for Payment of Certain Professional Fees and Expenses by the Commonwealth* [ECF No. 23176] (the “FOMB Statement”).

4. On January 4, 2023, the Bonistas filed a reply brief in response to the FOMB Statement and in further support of its Motion and relief requested therein [ECF No. 23200].

5. On January 31, 2023, the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) filed a statement regarding the Motion [ECF No. 23444] (the “AAFAF Statement”), indicating that it does not object to payment of the Expenses.

6. On February 16, 2023, the Bonistas filed the Bonistas Statement (i) amending the Motion reducing the amount requested from Seven Million Dollars (\$7,000,000.00) to Three Million Five Hundred Thousand Dollars (\$3,500,000.00) (the “Reduced Expenses”), (ii) informing

the Court that the Oversight Board and the Bonistas have reached a consensual agreement regarding payment of the Reduced Expenses, and (iii) providing a revised proposed order attached thereto as **Exhibit A** reflecting such consensual agreement (the “Revised Proposed Order”).

7. In light of the AAFAF Statement, the Bonistas’ amended request for the Reduced Expenses pursuant to the Bonistas Statement, and the Commonwealth’s ability to pay such Reduced Expenses, the Oversight Board hereby withdraws the FOMB Statement and supports entry of the Revised Proposed Order.

Dated: February 16, 2023
San Juan, Puerto Rico

Respectfully submitted,

/s/ Brian S. Rosen

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